



ZiaNet, Inc.

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August 3, 2005

RE: Proceeding 04-29

Federal Communications Commission
445 12th Street SW
Washington, DC 20554
(*Electronically filed*)

To Whom It May Concern:

ZiaNet is an Internet Service Provider (ISP) based in Las Cruces, NM. We provide Internet access to ~30,000 customers throughout New Mexico and in El Paso, TX. We use Qwest DSL services and Valor Telecommunications DSL services as some of the primary means to provide Internet access.

We have been successful in competing against both Qwest's ISP and Valor's ISP because we provide outstanding customer service and because we can provide economical interoffice connectivity to small businesses who operate in both Qwest-served communities and in Valor-served communities. That is something which neither phone company can do.

Deregulation of DSL services will significantly harm our business and the ability to provide competitive services to our customers. Consumers need and deserve the choices among Internet service providers they enjoy today. Deregulation will take away consumers' right to choose such providers and services.

President Bush signed Executive Order 13272 on August 13, 2002 requiring federal agencies to implement policies protecting small entities when writing new rules and regulations. President Bush' Small Business Agenda states that every new business starts with an idea for a better product or process, which has been the driving force of Internet innovation we enjoy today.

Innovative ideas become reality only when confident entrepreneurs are willing to take economic risks. ISP's have repeatedly taken such risks. Small businesses are the heart of the American economy because they drive innovation. New companies are established on the very premise that they can do a better job and recognize that a one-size-fits all approach is not good for every organization.

President Bush has called for recognition that supporting America's small businesses is critical to ensuring continued job creation. Today, small businesses create two-thirds of new private sector jobs in America, employ more than half of all workers, and account for more than half of the output of our economy.

The FCC has been entrusted with protecting consumers, encouraging economic development, and ensuring that competition is allowed to develop, rather than being squashed by a deregulated monopoly. Already, we are seeing the former Bell phone companies move to increase prices. Without regulation, small business will be harmed, thousands of ISP's will be forced out business, highly skilled workers will lose their jobs and consumers will lose the choice of providers for broadband services and support.

Deregulation will be bad for everyone in this country. ZiaNet encourages you to oppose the decision to deregulate DSL services. A few legacy carriers, who have benefited from valuable government grants and licenses, the use of public rights-of-way, and decades of guaranteed profits, should not now be given the right to bar others from offering their services to the public.

Sincerely,

Marianne Granoff
Regional Vice President.